

## TARIFF ACTION MEMO

**Date:** June 16, 2022

**Date Filed:** May 9, 2022

**Statutory End Date:** June 23, 2022

**File No:** TA147-44

**Name of Utility:** McGrath Light and Power (MLPC)

**Subject:** General Rule Revision (Electronic Billing)

### **Recommendation**

Staff recommends the Commission:

1. Approve Tariff Sheet Nos. 36 and 37, filed May 9, 2022, by MLPC with TA147-44, as shown on the attached side-by-side tariff sheet (Appendix 1). The effective date of the tariff sheets should be June 23, 2022.

Please see attached Staff Memorandum supporting the above recommendations.

Signed: Keiba Kimp  
Keiba Kimp

Title: Utility Tariff Analyst

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Commission decision regarding this recommendation:

	<u>Date (if different from 6/16/2022)</u>	<u>I Concur</u>	<u>I Do Not Concur</u>	<u>I Will Write A Dissenting Statement*</u>
Pickett		<u>RMP</u>		
Doyle		<u>KKI</u> for RAD		
Kurber		<u>KKI</u>		
Sullivan		<u>DS</u>		
Wilson		<u>JWW</u> JWW		

\* If this column is initialed, Staff will contact the Commissioner for the statement; otherwise, the dissent will simply be noted at the close of the By Direction letter or order.

## **MEMORANDUM**

To: Robert M. Pickett, Chairman  
Robert A. Doyle  
Keith Kurber II  
Daniel A. Sullivan  
Janis W. Wilson

Date: June 16, 2022

From: Keiba Kimp, Utility Tariff Analyst

Subject: General Rule Revision (Electronic Billing)

### **Recommendation**

Staff recommends the Commission:

1. Approve Tariff Sheet Nos. 36 and 37, filed May 9, 2022, by MLPC with TA147-44, as shown on the attached side-by-side tariff sheet (Appendix 1). The effective date of the tariff sheets should be June 23, 2022.

### **Filing**

MLPC now submits TA147-44, seeking to include provisions for members to elect to receive monthly billing statements electronically and to include that the bills shall be deemed rendered on the day they are delivered electronically to the last known email address provided by the customer. MLPC also proposes to revise the Payment Option provision to address the acceptable forms of payment. With TA147-44, MLPC filed Tariff Sheet Nos. 36 and 37.

### **Notice**

The Commission issued a public notice on May 10, 2022, with comments requested by June 9, 2022. No comments were received.

### **Analysis**

MLPC proposes to revise sections 5.02 (Monthly Billings), 5.03 (Bills Due), and 5.07 (Payment Options) to expand its billing and payment choices for customers. With TA147-44, MLPC proposes to provide its members with the option to opt into electronic billing, with the ability to return to paper billing at any time with no penalties.<sup>1</sup> MLPC also proposes that electronic bills will be deemed rendered on the date of the electronic transmission. MLPC states that it recently converted to a new billing software that enables it to send customers monthly bills electronically and states that its proposed tariff sheet revision provides customers with an added convenience that can simplify the bill paying process.<sup>2</sup> MLPC states that customers will be notified of the electronic billing option through various methods, which include when a customer signs up for service, on the billing message

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<sup>1</sup> See tariff advice letter for TA147-44, at 1.

<sup>2</sup> See tariff advice letter for TA147-44, at 1.

included with mailed bills, and by announcements posted at the local business office.<sup>3</sup> MLPC further states that the electric billing will be identical to its paper copies, as it will be emailed to customers as a pdf document.<sup>4</sup> Additionally, MLPC also revised the Payment Options provision by eliminating language regarding specific payment options and included language advising customers to contact the utility to obtain additional information about authorized payment systems. MLPC indicated that it is currently evaluating alternate payment options such as on-line payments and automatic payments for possible inclusion.<sup>5</sup>

Staff has reviewed similar proposals for electronic billing from other utilities that were granted Commission approval, including revisions filed with Alaska Power Company (APC TA864-2), Municipal Light and Power (ML&P TA315-121), and Alaska Electric Light and Power Company (AEL&P TA402-1) and has found the language used and changes proposed to be similar to the Monthly Billings and Bills Due sections with TA147-44. Based on the above, Staff believes the proposed revisions are reasonable.

Staff notes that similar language was found in TA173-1, with regards to Section 5.07 Payment Options in TA147-44. With TA173-1, AEL&P instituted a complete rewrite of its tariff, including Section 9.3, Bills Due, which states, "Bills of the Company are due when rendered and are payable at the offices of the Company or such other pay stations as the Company may designate." Staff further notes that in the letter order, the Commission indicated that the rewritten tariff was a "model which other utilities may wish to emulate."<sup>6</sup> Because similar language was used, Staff believes the proposed revision is reasonable.

### Tariff Sheets

With TA147-44, MLPC submitted Tariff Sheet Nos. 36 and 37 to reflect the proposed rule changes. Staff has reviewed the proposed tariff revisions and believes they correct.

### **Conclusion**

With TA147-44, MLPC seeks approval to provide customers an electronic billing option, to revise provisions addressing rendered bills, and to revise language addressing forms of payments. Based on the information above, Staff recommends that the Commission approve Tariff Sheet Nos. 36 and 37, filed May 9, 2022, by MLPC with TA147-44. The effective date of the tariff sheets should be June 23, 2022.

**Signature:** 

**Email:** bob.pickett@alaska.gov

**Signature:**   
Keith Kurber II (Jun 16, 2022 07:57 AKDT)

**Email:** keith.kurber@alaska.gov

**Signature:**   
Daniel Sullivan (Jun 16, 2022 13:46 AKDT)

**Email:** daniel.sullivan@alaska.gov

**Signature:**   
Janis W. Wilson (Jun 16, 2022 14:01 AKDT)

**Email:** janis.wilson@alaska.gov

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<sup>3</sup> *Ibid.*

<sup>4</sup> TR2202432.

<sup>5</sup> See tariff advice letter for TA147-44, at 1.

<sup>6</sup> TR1502611.

RCA No. 44 ORIGINAL SHEET No. 36

Cancelling

SHEET No.

RECEIVED

AUG 04 2008

STATE OF ALASKA  
REGULATORY COMMISSION OF ALASKA

McGrath Light &amp; Power

## 5. Billing and Collection Requirements

## 5.01 Bills Based on Meter Readings

(A) Except as provided in Section 7.01, charges for energy and demand will be based on the readings of meters installed by the Utility and read monthly by the Utility or its designee. The Utility will separately bill for each meter at a customer's premises. Readings from two or more meters will not be combined.

(B) It is the Utility's goal to read every meter monthly. Only when severe weather conditions prevent the meter reading or other circumstances make it dangerous or not reasonably feasible to read the meter will the Utility not read a meter monthly.

(C) If the Utility is unable to read a meter during the scheduled meter reading cycle, the Utility will estimate the consumption for the billing period considering the customer's usage during the same month of the previous year or the amount of usage during the preceding month or months. Every estimated billing will contain a statement that the billing is based on an estimated meter reading.

## 5.02 Monthly Billings

The Utility will bill monthly for services rendered. Charges for service will commence when the service is installed and energized.

## 5.03 Bills Due

Bills are due and payable on the date rendered. Unless personally delivered by the Utility, a bill is rendered on the billing date.

Tariff Advice No. TA122-44 Effective: October 6, 2008

Issued by: McGrath Light &amp; Power

By: Ernie Baumgartner  
Ernie Baumgartner

Title: General Manager

RCA No. 44 1<sup>st</sup> Revision Sheet No. 36

Cancelling Original Sheet No. 36

## McGrath Light &amp; Power Company

## 5. Billing and Collection Requirements

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(C) If the Utility is unable to read a meter during the scheduled meter reading cycle, the Utility will estimate the consumption for the billing period considering the customer's usage during the same month of the previous year or the amount of usage during the preceding month or months. Every estimated billing will contain a statement that the billing is based on an estimated meter reading.

## 5.02 Monthly Billings

The Utility will bill monthly for services rendered. Charges for service will commence when the service is installed and energized.

Customer's may elect to receive monthly bills electronically. N

## 5.03 Bills Due

Bills are due and payable on the date rendered. Unless personally delivered by the Utility, a bill is rendered on the billing date. N

Electronic bills shall be deemed rendered on the date of the electronic transmission by the Utility to the last known email address provided by the Customer. N

Tariff Advice No. TA147-44 Effective:

Issued By: McGrath Light &amp; Power

By: Timothy Barnum

Title: General Manager



RCA No. 44      1<sup>st</sup> Revision      Sheet No. 37

Cancelling      Original      Sheet No. 37

**RECEIVED**  
NOV 07 2016

STATE OF ALASKA  
REGULATORY COMMISSION OF ALASKA

**McGrath Light & Power Company**

5.04 Past Due and Delinquent Bills

A bill will be considered past due if not paid within 25 days after the date rendered. A bill will be considered delinquent if not paid within 40 days after the date rendered. Delinquent bills will be subject to such penalty as prescribed in the Schedule of Nonrecurring Charges.

5.05 Application of Payments

Unless otherwise agreed to by both the customer and the utility, payment will be applied to amounts owed in the same order as the amounts became due.

5.06 Late Charge

A late fee of one percent (1%) will be assessed on past due balances.

5.07 Payment Options

Customers may pay their bills for electric utility service in person at the Utility's office, by mail, or by a debit from a checking or savings account via the Auto Pay program. Customers may sign up for Auto Pay by submitting the "Consumer Authorization for Direct Payment via ACH" form. Customers may discontinue Auto Pay by submitting the "Cancellation of Automatic Payment" form. There are no fees for initiating or cancelling participation in the Auto Pay program.

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D – Language referring to an online payment option was removed.

Tariff Advice No. TA139-44      Effective: December 22, 2016

Issued By: McGrath Light & Power

By: Tim Barnum      Title: General Manager

RCA No. 44      Second Revision      Sheet No. 37

Cancelling      First Revision      Sheet No. 37



**McGrath Light & Power Company**

5.04 Past Due and Delinquent Bills

A bill will be considered past due if not paid within 25 days after the date rendered. A bill will be considered delinquent if not paid within 40 days after the date rendered. Delinquent bills will be subject to such penalty as prescribed in the Schedule of Nonrecurring Charges.

5.05 Application of Payments

Unless otherwise agreed to by both the customer and the utility, payment will be applied to amounts owed in the same order as the amounts became due.

5.06 Late Charge

A late fee of one percent (1%) will be assessed on past due balances.

5.07 Payment Options

Customers may pay their bills for electric utility service in person at the Utility's business office, by mail, or through the Utility's authorized payment systems. T, N

Customers may obtain additional information about the Utility's authorized payment systems by visiting or calling the Utility. T, N

Tariff Advice No. TA147-44      Effective:

Issued By: McGrath Light & Power

By: Tim Barnum      Title: General Manager